

TREASURY



NEWS

OFFICE OF PUBLIC AFFAIRS • 1500 PENNSYLVANIA AVENUE, N.W. • WASHINGTON, D.C. • 20220 • (202) 622-2960

EMBARGOED UNTIL 11:00 A.M.
March 10, 2008

CONTACT: Office of Financing
202/504-3550

TREASURY OFFERS 9-YEAR 11-MONTH 3 1/2% NOTES

The Treasury will auction \$10,000 million of 9-year 11-month 3 1/2% notes to raise new cash.

Up to \$1,000 million in noncompetitive bids from Foreign and International Monetary Authority (FIMA) accounts bidding through the Federal Reserve Bank of New York will be included within the offering amount of the auction. These noncompetitive bids will have a limit of \$100 million per account and will be accepted in the order of smallest to largest, up to the aggregate award limit of \$1,000 million.

Treasury Direct customers have scheduled purchases of approximately \$4 million into the 9-year 11-month 3 1/2% note.

The auction will be conducted in the single-price auction format. All competitive and noncompetitive awards will be at the highest yield of accepted competitive tenders. The allocation percentage applied to bids awarded at the highest yield will be rounded up to the next hundredth of a whole percentage point, e.g., 17.13%.

The notes being offered today are eligible for the STRIPS program.

This offering of Treasury securities is governed by the terms and conditions set forth in the Uniform Offering Circular for the Sale and Issue of Marketable Book-Entry Treasury Bills, Notes, and Bonds (31 CFR Part 356, as amended).

Details about the new security are given in the attached offering highlights.

oOo

Attachment

HIGHLIGHTS OF TREASURY OFFERING TO THE PUBLIC OF
9-YEAR 11-MONTH 3 1/2% NOTES TO BE ISSUED MARCH 17, 2008

March 10, 2008

<u>Offering Amount</u>	\$10,000 million
<u>Maximum Award (35% of Offering Amount)</u>	\$ 3,500 million
<u>Maximum Recognized Bid at a Single Yield</u>	\$ 3,500 million
<u>NLP Reporting Threshold</u>	\$ 3,500 million
<u>NLP Exclusion Amount</u>	\$ 4,600 million

Description of Offering:

Term and type of security	9-year 11-month 3 1/2% notes (reopening)
Series	B-2018
CUSIP number	912828 HR 4
Auction date	March 13, 2008
Issue date	March 17, 2008
Dated date	February 15, 2008
Maturity date	February 15, 2018
Interest rate	3 1/2%
Currently outstanding	\$19,205 million
Yield	Determined at auction
Interest payment dates	August 15 and February 15
Minimum bid amount and multiples	\$1,000
Accrued interest payable by investor	\$2.98077 per \$1,000 (from February 15 to March 17, 2008)
Premium or discount	Determined at auction

STRIPS Information:

Minimum amount required	\$1,000
Corpus CUSIP number	912820 QN 0
Due date(s) and CUSIP number(s) for additional TINT(s)	Not applicable

Submission of Bids:

Noncompetitive bids:

Accepted in full up to \$5 million at the highest accepted yield.

Foreign and International Monetary Authority (FIMA) bids:

Noncompetitive bids submitted through the Federal Reserve Banks as agents for FIMA accounts. Accepted in order of size from smallest to largest with no more than \$100 million awarded per account. The total noncompetitive amount awarded to Federal Reserve Banks as agents for FIMA accounts will not exceed \$1,000 million. A single bid that would cause the limit to be exceeded will be partially accepted in the amount that brings the aggregate award total to the \$1,000 million limit. However, if there are two or more bids of equal amounts that would cause the limit to be exceeded, each will be prorated to avoid exceeding the limit.

Competitive bids:

- (1) Must be expressed as a yield with three decimals, e.g., 7.123%.
- (2) Net long position (NLP) for each bidder must be reported when the sum of the total bid amount, at all yields, and the net long position equals or exceeds the NLP reporting threshold stated above.
- (3) Net long position must be determined as of one-half hour prior to the closing time for receipt of competitive tenders.
- (4) Competitive bids from Treasury Direct customers are not allowed.

Receipt of Tenders:

Noncompetitive tenders:

Prior to 12:00 noon eastern daylight saving time on auction day

Competitive tenders:

Prior to 1:00 p.m. eastern daylight saving time on auction day